

MEMORANDUM

NOVEMBER 15, 1984

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: STEPHEN COYLE, DIRECTOR

SUBJECT: The Greenhouse, Application for a Minor Modification to 121A Designation of The Greenhouse Associates

The Greenhouse, a Massachusetts limited partnership, was designated as a 121A entity pursuant to a Report and Decision dated July 19, 1979, as amended, for the purpose of constructing at 150-186 Huntington Avenue, a residential project with commercial space on the first floor. The project has now been fully constructed and is occupied.

The principals of the 121A entity have requested that the Boston Redevelopment Authority Board approve a minor modification to the 121A designation to permit the transfer of title to the improvements to a new entity and to permit the admission of limited partners. The admission of limited partners is being undertaken by Integrated Resources, Inc., a publically held corporation through its wholly owned subsidiary, RFC. To accomplish this admission of investors, a new Chapter 121A entity, Back Bay Associates Limited Partnership ("Back Bay"), will be formed. Back Bay will acquire the improvements constructed by The Greenhouse at 150-186 Huntington Avenue pursuant to the 121A designation and will enter into a long-term ground lease with The Greenhouse of the real estate fee interest. The general partners of Back Bay will be Burton R. Kassel and a wholly-owned affiliate, Greenhouse Realty Corporation. Burton R. Kassel is currently one of the general partners of The Greenhouse. Amanda Realty Corporation, an affiliate of Integrated, will hold a special limited partnership interest in the new entity and Resources Funding Corporation, an affiliate of Integrated will hold the remaining limited partnership interests. This latter limited partnership interest will be subsequently conveyed to a partnership consisting of investor limited partners, Greenhouse II Associates Limited Partnership.

The conveyances as described above are being undertaken for the purpose of facilitating the admission of limited partners. The transaction will result in the same general partner operating the project, the same management agent responsible for the day-to-day management of the project, and will not otherwise change the project in any other manner other than as described above.

The applicants have voluntarily agreed to contribute the sum of three hundred thousand dollars (\$300,000.00), half of which will be credited to a fund to be established by the Authority for the purpose of fostering commercial revitalization in the neighborhood and the remaining fifty per cent will be utilized by the Authority for public improvements in the Fenway Project area.

Based upon the fact that the project will not be altered physically, that the management and control of the project will be undertaken by the same individual and that the revenues produced to the City will be unaffected by this change, the Chief General Counsel has determined that this is not a fundamental change in the project and may be effectuated by approval of the Authority with the concurrence of the Mayor.

An appropriate vote follows:

VOTED: That the document presented at this meeting entitled "Third Amendment to the Report and Decision on the Application of The Greenhouse for the Authorization and Approval of a Project under Massachusetts General Laws Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be Undertaken and Carried Out by a Limited Partnership formed Under Massachusetts General Laws Chapter 109, and Approval to Act as an Urban Redevelopment Limited Partnership Under Said Chapter 121A" be and hereby is approved and adopted.

BOSTON REDEVELOPMENT AUTHORITY

THIRD AMENDMENT TO THE REPORT AND DECISION ON THE APPLICATION OF THE GREENHOUSE FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS CHAPTER 121A, AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP FORMED UNDER MASSACHUSETTS GENERAL LAWS CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A

A. Hearing. A hearing was held at 2:00 o'clock on November 15, 1984 in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority") at City Hall, Room 921, Boston, Massachusetts 02201 by the Authority on an application dated September 5, 1984 (hereinafter called the "Application") filed by Burton R. Kassell, Greenhouse Realty Corp., Amanda Realty Corp. and Resources Funding Corporation (the "Applicants") regarding The Greenhouse ("The Greenhouse"), a Massachusetts limited partnership for approval of a minor modification to a project approved pursuant to Chapter 121A of the General Laws of Massachusetts as amended (hereinafter the "Project").

B. The Project. The Project area consists of land and improvements located at 150-186 Huntington Avenue, Boston, Massachusetts, as further described in Exhibit 15 of the Application filed by the Applicants. The Project has been constructed by The Greenhouse pursuant to a designation as a 121A entity under Report and Decision dated July 19, 1979 as amended. The Greenhouse desires (1) to sell the improvements constructed at 150-186 Huntington Avenue to a new 121A entity to be formed by the Applicants, Back Bay Associates Limited Partnership (hereinafter "Back Bay"); and

(2) to grant a ground leasehold interest to the underlying real estate to Back Bay. The purpose of this conveyance is to facilitate the admission of investor limited partners to the partnership. The new entity to be formed will continue to have as a general partner Burton R. Kassell and his wholly-owned affiliate, Greenhouse Realty Corp. Burton R. Kassell is a current general partner in The Greenhouse. The Applicants have submitted a revised Section 6A Tax Agreement and a revised Regulatory Agreement which provides for the same payments to the City of Boston as had previously been the obligation of the Project (Exhibits 6 and 7 to the Application) and such Exhibits are hereby approved and incorporated by reference. The Applicants do not seek permission to make any physical change to the Project nor will these conveyances otherwise adversely affect the management, operation or financing of the Project.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing and determines that the changes requested are not fundamental.

D. Project Area. The Project area will not be affected by this minor modification.

E. Cost of the Project. The original cost of the Project has been incurred in conformity with the minimum standards contained in the original Application. The cost of acquiring the Project is

described in Section (4) Financial Information of the Application.

F. Effect of the Project. The minor modification applied for by the Applicants will not in any way be detrimental to the best interests of the public or the City of Boston or to the public safety and convenience and is not inconsistent with the most suitable development of the Project area, neighborhood or of the City. The Project will, in fact, forward the best interests of the City and will aid the public use and benefit. In connection with the Application, the Applicants have agreed to voluntarily contribute \$300,000.00 to be utilized for public improvements in the Fenway community development area and other areas of the City of Boston as directed by the Boston Redevelopment Authority, such payment to be paid upon final closing of the conveyances as described above and receipt of all necessary approvals in connection with the conveyance and the minor modification described herein. The Authority determines that such persons or associations appear to have the ability requisite to perform the obligations and carry out the duties imposed by Chapter 121A of the General Laws with respect to the Project.

G. Environmental Considerations. The Application will have no effect upon any environmental considerations regarding the Project.

H. Minimum Standards. The minimum standards for finance, construction, maintenance and improvements of the Project as are set forth in the Application are hereby adopted and imposed as Rules and Regulations in addition to those hereinafter adopted or imposed applicable to this Project for so long as the Project is

subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960.

I. Zoning Code Deviations. There are no additional zoning code deviations requested by the Applicant.

J. Duration of Period of Tax Exemption. The Application does not request any change in the current period of tax exemption pursuant to Chapter 121A.

K. Findings. Pursuant to the provisions of M.G.L. ch. 121A, as amended and Chapter 652 of the Acts of 1960, the Authority hereby approves the acquisition by Back Bay of the leasehold interest in land known as 150-186 Huntington Avenue and the acquisition in fee of the Improvements constructed thereupon and the designation of Back Bay as the successor 121A entity to The Greenhouse to carry out such purposes.